

10226

I N A S S E M B L Y

March 11, 2010

Introduced by M. of A. ROSENTHAL, SILVER, WEINSTEIN, KAVANAGH, LENTOL,
GLICK -- read once and referred to the Committee on Judiciary

AN ACT to amend the real property actions and proceedings law, in
relation to required notice to tenants upon a mortgage foreclosure

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-
BLY, DO ENACT AS FOLLOWS:

1 Section 1. Subdivisions 4 and 5 of section 1303 of the real property
2 actions and proceedings law, subdivision 4 as amended and subdivision 5
3 as added by chapter 507 of the laws of 2009, are amended to read as
4 follows:

5 4. The notice to any tenant required by paragraph (b) of subdivision
6 one of this section shall be delivered within ten days of the service of
7 the summons and complaint. Such notice shall be in bold, fourteen-point
8 type, and THE PARAGRAPH OF THE NOTICE BEGINNING WITH THE WORDS "ALL
9 RENT-STABILIZED" AND ENDING WITH THE WORDS "FULL HEARING IN COURT" SHALL
10 BE PRINTED ENTIRELY IN CAPITAL LETTERS AND UNDERLINED. THE FORECLOSING
11 PARTY SHALL PROVIDE ITS NAME, ADDRESS AND TELEPHONE NUMBER ON THE
12 NOTICE. THE NOTICE shall be printed on colored paper that is other than
13 the color of the summons and complaint, and the title of the notice
14 shall be in bold, twenty-point type. The notice shall be on its own
15 page. For buildings with fewer than five dwelling units, the notice
16 shall be delivered to the tenant, by certified mail, return receipt
17 requested, and by first-class mail to the tenant's address at the prop-
18 erty if the identity of the tenant is known to the plaintiff, and by
19 first-class mail delivered to "occupant" if the identity of the tenant
20 is not known to the plaintiff. For buildings with five or more dwelling
21 units, a legible copy of the notice shall be posted on the outside of
22 each entrance and exit of the building.

23 5. The notice required by paragraph (b) of subdivision one of this
24 section shall appear as follows:

25 Notice to Tenants of Buildings in Foreclosure

26 New York State Law requires that we provide you this notice about the
27 foreclosure process. Please read it carefully.

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets
[] is old law to be omitted.

LBD16304-02-0

1 WE, (NAME OF FORECLOSING PARTY), ARE THE FORECLOSING PARTY AND ARE
2 LOCATED AT (FORECLOSING PARTY'S ADDRESS). WE CAN BE REACHED AT (FORE-
3 CLOSING PARTY'S TELEPHONE NUMBER).

4 The dwelling where your apartment is located is the subject of a fore-
5 closure proceeding. If you have a lease, are not the owner of the resi-
6 dence, and the lease requires payment of rent that at the time it was
7 entered into was not substantially less than the fair market rent for
8 the property, you may be entitled to remain in occupancy for the remain-
9 der of your lease term. If you do not have a lease, you will be entitled
10 to remain in your home until ninety days after any person or entity who
11 acquires title to the property provides you with a notice as required by
12 section 1305 of the Real Property Actions and Proceedings Law. The
13 notice shall provide information regarding the name and address of the
14 new owner and your rights to remain in your home. These rights are in
15 addition to any others you may have if you are a subsidized tenant under
16 federal, state or local law or if you are a tenant subject to rent
17 control, rent stabilization or a federal statutory scheme.

18 ALL RENT-STABILIZED TENANTS AND RENT-CONTROLLED TENANTS ARE PROTECTED
19 UNDER THE RENT REGULATIONS WITH RESPECT TO EVICTION AND LEASE RENEWALS.
20 THESE RIGHTS ARE UNAFFECTED BY A BUILDING ENTERING FORECLOSURE STATUS.
21 THE TENANTS IN RENT-STABILIZED AND RENT-CONTROLLED BUILDINGS CONTINUE TO
22 BE AFFORDED THE SAME LEVEL OF PROTECTION EVEN THOUGH THE BUILDING IS THE
23 SUBJECT OF FORECLOSURE. EVICTIONS CAN ONLY OCCUR IN NEW YORK STATE
24 PURSUANT TO A COURT ORDER AND AFTER A FULL HEARING IN COURT.

25 If you need further information, please call the New York State Bank-
26 ing Department's toll-free helpline at 1-877-BANK-NYS (1-877-226-5697)
27 or visit the Department's website at <http://www.banking.state.ny.us>.

28 S 2. This act shall take effect on the thirtieth day after it shall
29 have become a law.